

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**CORRECTED  
FISCAL MEMORANDUM**

**HB 2504 – SB 2502**

March 3, 2010

**SUMMARY OF AMENDMENT (014399):** Deletes all language after the enacting clause and requires the Department of Health to implement a pilot program authorizing county clerks to issue certified copies of birth certificates. The pilot program is limited to one county clerk site within Davidson, Hamilton, Knox, Shelby, Unicoi, Tipton, Hamblen, McMinn and Anderson Counties. The pilot program will exist for four years, effective FY10-11 through FY13-14. The state registrar is authorized to promulgate rules governing the issuance, inventories, and the security and confidentiality standards of the birth certificates and certified copies.

**FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Revenue – Net Impact - \$30,000/Recurring  
Increase State Expenditures - \$26,700/One-Time  
Net Impact - \$185,400/Recurring

Increase Local Revenue – Exceeds \$100,000/Permissive  
Increase Local Expenditures – Exceeds \$100,000/Permissive

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

On February 23, 2010, a fiscal memorandum was issued estimating a fiscal estimate as follows: *Increase State Revenue – Net Impact - \$6,000/Recurring, Increase State Expenditures – Net Impact - \$2,000/Recurring, Increase Local Revenue – Exceeds \$100,000/Permissive, and Increase Local Expenditures – Exceeds \$100,000/Permissive.* Based upon further analysis, the estimated fiscal impact is:

**(CORRECTED)**

**Increase State Revenue – Net Impact - \$6,800/Recurring  
Increase State Expenditures – Net Impact - \$2,300/Recurring**

**Increase Local Revenue – Exceeds \$100,000/Permissive  
Increase Local Expenditures – Exceeds \$100,000/Permissive**

Assumptions applied to amendment:

**HB 2504 – SB 2502 (CORRECTED)**

- Nine county clerk locations within the counties included in the pilot program will participate.
- The participating county clerk locations will use existing T-carrier computer line connections. It is estimated that there will not be a significant increase in expenditures for the county clerk locations to use these connections for data transfer purposes.
- Currently, the county health departments are able to issue birth certificates. According to the Department of Health, county clerk locations that participate in the pilot program will be held to the same information security standards that the local health departments are held which includes use of a dedicated printer and maintaining a secure location with limited access for the security paper and computer connections. Additionally, each health department must go through annual training and the birth certificate program is audited annually.
- The Department of Health will charge the county clerk locations participating in the pilot program for staff training and for auditing the facilities. It is estimated that each facility will be charged for 15 hours of work at a rate of \$50 per hour resulting in an increase in state revenue of \$6,750 (9 locations x 15 hours x \$50 per hour).
- The Department will provide state security paper to the county clerks resulting in an increase in expenditures of \$2,250 (9 locations x \$250).
- County clerk locations will not participate unless they currently have sufficient personnel to meet program needs.
- Local governments who choose to participate will experience an increase in local revenue estimated to exceed \$100,000 for fees charged for issuing birth certificates.
- Local governments who choose to participate may experience an increase in local expenditures estimated to exceed \$100,000 for the cost of issuing certificates.
- The county clerks will remit the portion of the fee due the state to the Department of Health and to any local health department located within the county the portion of the fee due to local health departments as prescribed by contract. There will not be a significant impact to state revenue.

## **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/kml